



For Immediate Release

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Contact: David Duran

916-322-1447 or 916-531-7317 (mobile)

Runner Disappointed by Committee Vote for Online Tax Measure

Board of Equalization Member Senator George Runner issued the following statement today in response to the Assembly Revenue and Taxation Committee's party line approval of Assembly Bill 153 (Skinner):

"I am disappointed by the Committee's decision to move forward with a tax measure that will cost California jobs and hurt state revenues. There are as many as 25,000 internet affiliate businesses based in our state that could be wiped out by this bill.

"Leading online retailers, including Amazon and Overstock, have informed me that passage of this bill will force them to terminate their relationships with their California-based affiliates.

"Out-of-state retailers, with no physical presence in the California, have no legal obligation to collect California's sales or use taxes. AB 153 is trying to redefine 'physical presence' to include the use of online affiliate advertisers based in California.

"The bill simply won't work. Out-of-state retailers will cut ties with their California affiliates and continue selling to California consumers. The only thing AB 153 does is kill up to 25,000 affiliate jobs in California. That's the last thing we need."

Elected in November 2010, Senator George Runner represents more than 9 million Californians as a member of the Board of Equalization. For more information, visit www.boe.ca.gov/Runner.

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